

LAW OFFICES

PRUITT, GUSHEE & FLETCHER

SUITE 1850 BENEFICIAL LIFE TOWER

SALT LAKE CITY, UTAH 84111

(801) 531-8446

December 20, 1982

ROBERT G. PRUITT, JR.
 OLIVER W. GUSHEE, JR.
 F. ALAN FLETCHER
 RICHARD B. JOHNS
 ROBERT G. PRUITT, III
 LAWRENCE S. SKIFFINGTON
 THOMAS W. BACHTELL

JIM

DEC 27 1982

RECEIVED

DEC 21 1982

DIVISION OF
OIL, GAS & MINING

Mr. James W. Smith, Jr.
 Coordinator, Mined Land Development
 Division of Oil, Gas and Mining
 State of Utah
 4241 State Office Building
 Salt Lake City, Utah 84114

*hand replaced
5/1990 by
Cash.*

Re: Mined Lands Reclamation Bond -
 Amax Magnesium Corporation

Dear Jim:

In accordance with our conversation on the subject bond, I am enclosing the following items for your further handling:

1. Mined Lands Reclamation Act Bond No. 162 48 34 executed by Amax Magnesium Corporation as principal and Firemen's Insurance Company of Newark, New Jersey, as surety.
2. Copy of General Conveyance, Bill of Sale and Assignment from NL Industries, Inc. to Amax Magnesium Corporation dated November 7, 1980, transferring the property interests of NL at the Rowley Operation.

As mentioned to you the other night, Mr. Toomey, who executed the bond form on behalf of Amax Magnesium Corporation, did so under his general capacity as a Vice-President of the Corporation. Incidentally, Mr. Toomey has just recently been elevated to the Presidency of Amax Magnesium Corporation. The corporate seal is not maintained in the office in Salt Lake City where Mr. Toomey resides. Therefore, it is not included as a part of the bond form but this in no way detracts from the authority of Mr. Toomey to execute the item on behalf of the corporation.

Very truly yours,

[Signature]
 O. W. Gushee, Jr.

OWG:dl
 0608.02

Enclosures

CC: T. J. Frazer
 w/enclosures

100495

GENERAL CONVEYANCE, BILL OF SALE AND ASSIGNMENT

KNOW ALL MEN BY THESE PRESENTS that for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, NL INDUSTRIES, INC., a New Jersey corporation ("Assignor"), with an office at 1230 Avenue of the Americas, New York, New York 10020, as Seller, pursuant to Section 2.4 of the Agreement for the Purchase and Sale of Assets, dated as of November 7, 1980 ("Agreement"), between Seller and AMAX INC., a New York corporation ("AMAX") having an office at AMAX Center, Greenwich, Connecticut 06830, as Buyer, does by these presents sell, convey, assign and transfer unto AMAX MAGNESIUM CORPORATION, a Delaware corporation, having an office at 600 Lanidex Plaza, Parsippany, New Jersey ("Assignee") its successors and assigns, all of the movable property and rights related to Assignor's magnesium business including without limitation the facilities located at Rowley, Utah, at its offices located at Salt Lake City, Utah, at a public warehouse at Clearfield, Utah, and its consignment stocks and warehouse inventories wherever located ("Assets"), to have and to hold the same unto Assignee, its successors and assigns, forever.

Assignor, for its successor and assigns, does hereby covenant and warrant that Assignee, upon the sale, conveyance, assignment and transfer evidenced hereby, shall have good title to all of the Assets owned by Assignor, free and clear of any liens, charges and encumbrances, except as noted in the Agreement and the Schedules thereto.

100496

ABSTRACT _____
 INDEX _____
 GRANTED { GRANTEE ☒ _____
 GRANTOR ☒ _____
 NOTES MADE enrise _____
 REMARKS _____

NO. 342295
 RECORDED AT THE REQUEST OF _____
 DATE 2-16-81 TIME 11:25 AM BOOK 192 PAGE 305-3
 OF RECORDS FEE 7.00

 Joelle County Recorder

AND, for the consideration aforesaid, Assignor for itself and its successors and assigns has covenanted and by this General Conveyance, Bill of Sale and Assignment does covenant

100497

with Assignee, its successors and assigns, that it will do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, transfers, assignments and conveyances, powers of attorney, and assurances, for the better assuring, conveying and confirming to Assignee, its successors and assigns, all and singular the Assets as Assignee, its successors and assigns, shall reasonably require.

IN WITNESS WHEREOF, Assignor has executed and has caused this General Conveyance, Bill of Sale and Assignment to be executed by its duly authorized officer this 7th day of November, 1980.

NL INDUSTRIES, INC.
("ASSIGNOR")

By *Robert R. McLean*
Title Ex. Vice PRESIDENT

AMAX MAGNESIUM CORPORATION
("ASSIGNEE")

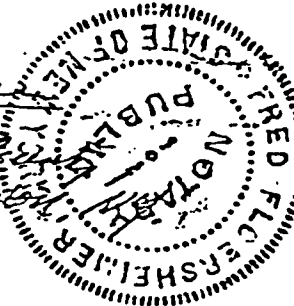
By *S. D. Condit*
Title ~~Executive~~ VICE-PRESIDENT

STATE OF NEW YORK)
:ss.:
COUNTY OF NEW YORK)

On this 7 day of November, 1980, before me personally appeared Vincent R. McLean, to me known, who being by me duly sworn, did depose and say that he is a Vice President of NL INDUSTRIES, INC., and that the said instrument was signed in behalf of said corporation by authority of a resolution of its board of directors and acknowledged to me that said corporation executed the same.

FRED FLOERSHEIMER
Notary Public, State of New York
No. 52-6337-00 Qual. in Suffolk Co.
Certificate filed in New York County
Commission Expires March 30, 1981

Fred Floersheimer
Notary Public
Residing in: *Suffolk County, New York*
Huntington




STATE OF NEW YORK)
:ss.:
COUNTY OF NEW YORK)

On this 7 day of November, 1980, before me personally appeared J.R. Couch, to me known, who being by me duly sworn, did depose and say that he is a Vice President of AMAX MAGNESIUM CORPORATION, and that the said instrument was signed in behalf of said corporation by authority of a resolution of its board of directors and acknowledged to me that said corporation executed the same.

FRED FLOERSHEIMER
Notary Public, State of New York
No. 52-6337-00 Qual. in Suffolk Co.
Certificate filed in New York County
Commission Expires March 30, 1981

Fred Floersheimer
Notary Public
Residing in: *Suffolk County, New York*
Huntington



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING
1588 West North Temple 4241 State Office Building
Salt Lake City, Utah 84116-84114

m1045/008

RJR		JDB	
DAS		JUL	✓
		MAJ	
		CA	

REC. NOV 18 1982

THE MINED LANDS RECLAMATION ACT

BND162 48 34

BOND

KNOW ALL MEN BY THESE PRESENCE, that the undersigned AMAX MAGNESIUM CORPORATION as principal, and Firemen's Insurance Company of Newark, New Jersey as surety, are held and firmly bound unto the State of Utah, Division of Oil, Gas, and Mining, in the penal sum of Fifteen Thousand Two Hundred Seventy-Eight & 08/100 dollars (\$15,278.08) for the payment of which sum, will and truly be made, we hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors, and assigns.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH that whereas ~~the above~~ NL Industries, Inc., the above-named principal's predecessor in interest, ~~named principal~~ did on the 16th day of April 19 79, file with the Division of Oil, Gas, and Mining a "Notice of Intention to Commence Mining Operations" and a "Mining and Reclamation Plan", to secure authorization to engage in mining operations in the State of Utah, under the terms and provisions of the Mined Land Reclamation Act; that in said Notice the principal estimated that 640 acres of land will be affected by mining. Said land is described as follows in Exhibit "A" attached hereto.

NOW, if the said principal shall satisfactorily reclaim the above mentioned lands affected by mining by said principal in accordance with the Mining and Reclamation Plan and shall faithfully perform all requirements of the Mined Land Reclamation Act, and comply with the Rules and Regulations adopted in accordance therewith, then this obligation shall be void; otherwise it shall remain in full force and effect until the reclamation is completed as outlined in the approved Mining and Reclamation Plan.

If the said approved plan provides for reclamation of the land affected on a piecemeal or cyclic basis, and said land is reclaimed in accordance with such plan, then this bond may be reduced periodically.

In the converse, if the said plan provides for a gradual increase in the area of the land affected or increased reclamation work, then this bond may accordingly be increased with the written approval of the surety company.

NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by its duly authorized officers with the seal of the corporation affixed.

AMAX MAGNESIUM CORPORATION

Principal (Company)

Date: 11-30-82

By: Robert D. Jolley Vice President
Company Official - position

Firemen's Insurance Company of Newark,
Surety (Company) New Jersey

Date: November 17, 1982

By: Eileen P. Wright
Official of Surety Position
Eileen P. Wright Attorney

FINANCIAL STATEMENT

Firemen's Insurance Company of Newark, New Jersey

AS OF
DECEMBER 31, 1981

ASSETS		LIABILITIES, CAPITAL & SURPLUS	
Cash.....	\$ 5,024,718	Reserve for Unearned Premiums ..	\$ 248,289,187
Bonds and Stocks	1,082,566,131	Reserve for Losses	551,631,773
Interest, Dividends & Rents Accrued	11,948,433	Reserve for Loss Expenses	72,079,552
Agents' Balances Receivable	89,411,470	Reserve for Taxes & Expenses	18,624,264
Real Estate	11,580,000	Reserve for Other Liabilities	23,698,391
Other Assets	24,519,949	Total Liabilities	\$ 914,323,167
Total Admitted Assets	\$ 1,225,050,701	Capital	15,000,000
		Surplus	295,727,534
		Policyholders' Surplus	310,727,534
		Total Liabilities, Capital & Surplus ..	\$ 1,225,050,701

STATE OF NEW YORK }
COUNTY OF NEW YORK } SS:
CITY OF NEW YORK }

F.M. Colalucci, being duly sworn says: That he resides in Glen Head, New York and that he is Vice President and Controller of FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, that said Company is a Corporation duly organized, existing, and engaged in business as a Surety by virtue of the Laws of the State of New Jersey and has duly complied with all the requirements of the Laws of said State and the Laws of the State of Utah applicable to said Company, and is duly qualified to act as Surety under such laws; that said Company has also complied with and is duly qualified to act as Surety under the Act of Congress approved July 30, 1947, 6 U.S.C. secs. 6-13 to qualify as sole surety on recognizances, stipulations, Bonds and undertakings permitted or required by the laws of the United States, to be given with one or more sureties; and that the foregoing is a full, true and correct statement of the financial condition of said Company on the 31st day of December 1981 to the best of his knowledge and belief.

Sworn to before me this 11th
day March 1982

Susan M. McCarthy

Susan M. McCarthy
A Notary Public of New Jersey
My Commission Expires Feb. 17, 1987



CERTIFICATE

F.M. Colalucci

Vice President and Controller



SURETY ACKNOWLEDGMENT

State of New York
County of New York
City of New York } ss.:

On this 17th day of November, in the year 19 82
before me personally came Eileen P. Wright
to me known, who, being by me duly sworn, did depose and say that he resides in New York, New York
; that he is the Attorney of Firemen's Insurance Company of Newark, New Jersey, the corporation described in and which executed the attached instrument; that he knows the corporate seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; and that it was so affixed by order of the Board of Directors of the said corporation, and that he signed his name thereto by like order.

Thomas Buckley
Notary Public

THOMAS BUCKLEY
Notary Public, State of New York
No. 41-4505615
Qualified in Queens County
Cert. Filed in New York County
Commission Expires May 10, 1983

100501

Printed in U.S.A.

GENERAL POWER OF ATTORNEY

Know all men by these Presents, That the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY has made, constituted and appointed, and by these presents does make, constitute and appoint

Eileen P. Wright of New York, New York

its true and lawful attorney for it and in its name, place, and stead to execute on behalf of the said Company, as surety, bonds, undertakings and contracts of suretyship to be given to

all obligees

provided that no bond or undertaking or contract of suretyship executed under this authority shall exceed in amount the sum of Unlimited Dollars.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY at a meeting duly called and held on the 20th day of February, 1975.

"RESOLVED, that the Chairman of the Board, the Vice Chairman of the Board, the President, an Executive Vice President or a Senior Vice President or a Vice President of the Company, be, and that each or any of them hereby is, authorized to execute Powers of Attorney qualifying the attorney named in the given Power of Attorney to execute in behalf of FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, bonds, undertakings and all contracts of suretyship; and that an Assistant Vice President, a Secretary or an Assistant Secretary be, and that each or any of them hereby is, authorized to attest the execution of any such Power of Attorney, and to attach thereto the seal of the Company.


FURTHER RESOLVED, that the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached."

In Witness Whereof, the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY has caused its official seal to be hereunto affixed and these presents to be signed by one of its Vice Presidents and attested by one of its Assistant Vice Presidents this 3rd day of January, 1979

Attest:

FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY

By


T.H. Stephens, Assistant Vice President





M.L. Ford, Vice-President

STATE OF NEW YORK, }
COUNTY OF NEW YORK, } SS:

On this 3rd day of January, 1979, before me personally came M.L. Ford, to me known, who being by me duly sworn, did depose and say that he resides in Summit, in the County of Essex, State of New Jersey, at 768 Springfield Avenue; that he is a Vice-President of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, the corporation described in and which executed the above instrument; that he knows the seal of the said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.



CERTIFICATE

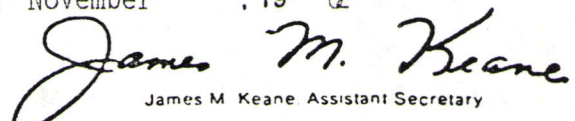

ETHEL TARANTO
Notary Public, State of New York
No. 24-4663117
Qualified in Kings County
Commission Expires Mar. 30, 1982

I, the undersigned, an Assistant Secretary of the FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY, a New Jersey corporation, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed at the City of New York. Dated the 17th day of November, 19 82

100502




James M. Keane, Assistant Secretary